

CERTIFIED MAIL RECEIPT # Z 000 000 000

~~Mr./Ms. Facility Rep~~ **Rand Robichaux**  
~~Company Name~~ **Denbury Resources, Inc**  
~~Correspondence Address~~ **2503 Petroleum Drive**  
~~City, State, Zip Code~~ **Houma, LA 70363**

RE: FRP/SPCC/EPCRA Inspection Report

~~Facility Name~~ **Lafayette #4**

~~FRP-06-(2-Letter State Code)-(5-digit number)~~ **LA-00556**

~~FY(Assigned FY number for FRP)~~ **99125**

Dear Mr./Ms. Facility Rep:

**8/16/99**  
On ~~(date of inspection)~~, representatives of the U.S. Environmental Protection Agency (EPA) conducted an Oil Pollution Prevention (40 CFR Part 112) inspection. The inspection included a Facility Response Plan (FRP), Spill Prevention Control and Countermeasure (SPCC), and Emergency Planning and Community Right-to-Know Act (EPCRA) compliance review for the above named facility. During the compliance review the following deficiencies were noted:

FACILITY RESPONSE PLAN

[For specific deficiencies see Attachment A: Facility Response Plan Checklist]

The facility owner/operator has not implemented the requirements as per section 4202(a)(5)(E)(ii) of the Oil Pollution Act of 1990 as codified in 40 CFR Part 112.20 due to the deficiencies listed below:

- F1 The FRP is not prepared and submitted in accordance with 40 CFR Part 112.20.
- F2 FRP amendment(s) not submitted in accordance with 40 CFR Part 112.20.
- F3 The facility owner/operator did not maintain the substantial harm certification as required by 40 CFR Part 112.20(e).
- F4 FRP is not consistent with NCP/ACP as required by 40 CFR Part 112.20(g). NCP/ACP require coordination, mitigation, communication, containment, and removal constituents.

9527369



F5 Contents of plan are not consistent with model plan as required by 40 CFR Part 112.20 (h) or its equivalent. See Attachment B: FRP Checklist. All items must be addressed or stated as non-applicable.

F6 Incomplete or no facility information as required by 40 CFR Part 112.20 (h)(2). See section 1.2 of FRP the checklist.

F7 ~~Inadequate emergency response information as required by 40 CFR Part 112.20 (h)(3). Incomplete emergency notification phone list, see section 1.3.1 of the FRP checklist. Incomplete response equipment list. See section 1.3.2 of the FRP checklist. Incomplete response equipment testing and/or drill logs, see section 1.3.3 of the FRP checklist. Incomplete response personnel information, see section 1.3.4 of the FRP checklist. Incomplete evacuation plans, see section 1.3.5 of the FRP checklist. Incomplete description of qualified individuals duties, see section 1.3.6 of the FRP checklist.~~ Keep

F8 Insufficient hazard evaluation information as required by 40 CFR Part 112.20(h)(4). Incomplete hazard identification information, see section 1.4.1 of the FRP checklist. ~~Incomplete analysis of oil spill effects on vulnerable areas. See section 1.4.2 of the FRP checklist.~~ Incomplete analysis of potential for an oil spill, see section 1.4.3 of the FRP checklist. Inadequate discussion of oil spill history, see section 1.4.4 of the FRP checklist.

F9 Inadequate discussion of response planning levels as required by 40 CFR Part 112.20 (h)(5). Incomplete or no description of small and/or medium discharge scenarios, see section 1.5.1 of the FRP checklist. Incomplete or no description of worst case scenario, see section 1.5.2 of the FRP checklist.

F10 ~~Inadequate or no discussion of discharge detection as required by 40 CFR Part 112.20(h)(6). Incomplete description of discharge detection systems, see section 1.6 of the FRP checklist.~~

F11 Inadequate or no discussion of plan implementation as required by 40 CFR Part 112.20 (h)(7). Incomplete identification and/or description of response resources, see section 1.7.1 of the FRP checklist. Disposal plans incomplete, see section 1.7.2 of the FRP checklist. Incomplete or no description of containment and/or drainage plan. See section 1.7.3 of the FRP checklist.

F12 Inadequate self inspection, drills/exercises, and response training as required by 40 CFR Part 112.20 (h)(8). Incomplete self-inspection, see section 1.8.1 of the FRP checklist. Incomplete description of facility drills, exercises and/or logs, see section 1.8.2 of the FRP checklist. ~~Incomplete description of response training and/or logs, see section 1.8.3 of the FRP checklist.~~

F13 Inadequate site diagrams as required by 40 CFR Part 112.20(h)(9). Incomplete information on Site Plan, Drainage Plan, and/or Evacuation Plan diagrams, see section 1.9 of the FRP checklist.



- F14 Inadequate description of facility security systems as required by 40 CFR Part 112.20(h)(10). Incomplete description of security systems, see section 1.10 of the FRP checklist.

### SPILL PREVENTION CONTROL AND COUNTERMEASURE

[For specific deficiencies see Attachment B: SPCC Checklist]

SPCC plan inadequately implemented as required by 40 CFR Part 112.3 due to the deficiencies listed below:

- S1 SPCC plan not prepared, certified by a P.E., and/or not available as required by 40 CFR 112.3.
- S2 No evidence of management approval of SPCC plan as required by 40 CFR Part 112.7.
- S3 No evidence of three year review and/or certified amendments as required by 40 CFR Part 112.5.
- S4 Insufficient or no prediction of equipment failure and resulting discharge as required by 40 CFR Part 112.7(b).
- S5 Insufficient or no discussion of appropriate containment and/or diversionary structures or equipment in plan as required by 40 CFR Part 112.7(c).
- S6 Insufficient demonstration of impracticability of secondary containment and/or no strong contingency plan (40 CFR Part 109) as required by 40 CFR Part 112.7(d).
- S7 Incomplete or no written procedures and/or inspection records as required by 40 CFR Part 112.7(e)(8).
- S8 Incomplete or no personnel training and spill prevention procedures as required by 40 CFR Part 112.7(e)(10).

### ONSHORE FACILITIES (EXCLUDING PRODUCTION)

- S9 Inadequate diked-area drainage equipment or procedure, and/or in-plant drainage system not adequately engineered. [40 CFR Part 112.7(e)(1) and 112.7(e)(2)(iii)].
- S10 Inadequate tank construction materials and/or materials not compatible with contents. [40 CFR Part 112.7(e)(2)(i)].
- S11 Inadequate secondary containment or diversionary structures. [40 CFR Part 112.7(e)(2)(ii) and (c)(1)].

- S12 Buried and partially buried tanks not protected from corrosion and/or subjected to regular pressure testing as required by 40 CFR Part 112.7(e)(2)(iv) and (v).
- S13 Inadequate maintenance of aboveground tanks and/or tanks not subject to periodic inspection, integrity testing and/or records of inspection not maintained. [40 CFR Part 112.7(e)(2)(vi)]
- S14 Steam return from internal heating coils not monitored or passed through a separation system as required by 40 CFR Part 112.7(e)(2)(vii).
- S15 Tank installations not fail-safe engineered as required by 40 CFR Part 112.7(e)(2)(viii).
- S16 Facility effluent discharged to navigable waters not observed frequently enough to detect system upsets as required by 40 CFR Part 112.7(e)(2)(ix).
- S17 Visible oil leaks resulting in accumulations of oil in diked areas not promptly corrected as required by 40 CFR Part 112.7(e)(2)(x).
- S18 Portable oil storage tanks not positioned to prevent spilled oil from reaching navigable waters or are located in possible flooding area. [40 CFR Part 112.7(e)(2)(xi)]
- S19 Inadequate facility transfer operations, pumping, and in-plant processes. [40 CFR Part 112.7(e)(3)] **choose what applies** (i): corrosion protection for buried pipelines, (ii): not-in-service or extended standby transfer points capped or blank flanged and marked as to origin, (iii): piping supports to minimize abrasion, corrosion and allow expansion/contraction, (iv): aboveground valves and pipelines inspected regularly and periodically pressure tested, (v): vehicle traffic warned of aboveground pipelines.
- S20 Inadequate facility tank car and tank truck loading and unloading rack and/or loading procedures, [40 CFR Part 112.7(e)(4)] **choose what applies** (ii): secondary containment for rack, (iii): warning or barriers to prevent vehicular departure prior to disconnect, (iv): vehicle inspection prior to departure.
- S21 Inadequate facility security. [40 CFR Part 112.7(e)(9)] **choose what applies** (i): fenced with locked and or guarded gates, (ii): locked, closed tank drain valves which allow outside flow, (iii): locked pump controls are only accessible to authorized personnel, (iv): load/unload connections capped or blank flanged when out-of-service or extended standby, (v): facility lighting for spill discovery and or vandalism prevention.



- S9 Inadequate secondary containment drainage procedures and/or oil accumulation removal from ditches, traps, sumps or skimmers. [40 CFR Part 112.7(e)(5)(ii)].
- S10 Inadequate tank construction materials and/or materials not compatible with contents. [40 CFR Part 112.7(e)(5)(iii)(A)].
- S11 Inadequate secondary containment. [40 CFR Part 112.7(e)(5)(iii)(B) and (c)(1)].
- S12 Inadequate maintenance inspection of storage tanks including foundations and or supports [40 CFR Part 112.7(e)(5)(iii)(C)].
- S13 Tank installations not-fail safe engineered. [40 CFR Part 112.7(e)(5)(iii)(D)] (1): inadequate tank capacity to prevent overfill, (2): Insufficient or no equalizing lines between tanks, (3): inadequate vacuum protection for tanks, (4): Insufficient or no high level sensors where facility is part of a computer production control system.
- S14 Inadequate maintenance/inspection of pipelines, valves, flowlines, pumping well polish rod stuffing boxes, etc. [40 CFR Part 112.7(e)(5)(iv)].

OFFSHORE PRODUCTION

*Inadequate discussion of ?*

- S9 Inadequate or no oil drainage collection equipment/system. (Such as: curbing, drip pans, and sump system) [40 CFR Part 112.7(e)(7)(ii)].
- S10 Inadequate maintenance/inspection of sump system. [40 CFR Part 112.7(e)(7)(iii)].
- S11 Separators/treaters not engineered to prevent oil discharges and/or inadequate spill prevention system. [40 CFR Part 112.7(e)(7)(iv)].
- S12 Tanks ~~not~~ engineered to prevent oil discharges and/or inadequate system. [40 CFR Part 112.7(e)(7)(v) or (vi)].
- S13 Tanks ~~not~~ suitably corrosion protected. [40 CFR Part 112.7(e)(7)(vii)].
- S14 Inadequate maintenance, inspection and testing of pollution prevention equipment and systems and/or written procedures maintained at facility and plan as required by 40 CFR Part 112.7(e)(7)(viii) and (ix).
- S15 Manifold not equipped with check-valves for all flowlines. [40 CFR Part 112.7(e)(7)(xiv)].
- S16 No high-pressure sensing devices/wellhead shut-in valves/alternate pressure relief system. [40 CFR Part 112.7(e)(7)(xv)].

S17 Inadequate corrosion protection of facility pipelines [40 CFR Part 112.7(e) (7)(xvi)(xvii), and (xviii)].

EMERGENCY PLANNING AND COMMUNITY RIGHT-TO-KNOW ACT

- No deficiencies were identified under EPCRA. The facility had filed the proper chemical inventory reports (Tier II) under EPCRA for the preceding calendar year at the time of the notice of inspection.
- ~~OR~~ The facility had not filed the proper chemical inventory reports (Tier II) under EPCRA at the time of the notice of inspection for the preceding calendar year.

According to Section 4301(b) of the Oil Pollution Act (OPA), owners or operators of facilities subject to Part 112 who violate the requirements of this part 112 by failing or refusing to comply with any of the provisions shall be liable for a civil penalty of up to \$27,500 for each day such violation continues.

Please provide to this office, within 30 days of the date of receipt of this report information, photographs, etc., as necessary to clearly demonstrate that the above deficiencies have been corrected, or provide a firm schedule for achieving compliance with the oil pollution regulations. A copy of 40 CFR Part 112 has been enclosed with this report. If no response is received within 30 days, potential enforcement actions may follow. Please provide your response to:

*Don Smith*  
~~Name of EPA Inspector~~ (6SF-RP)  
Environmental Protection Agency  
~~1445 Ross Avenue~~ *P.O. Box 303*  
Dallas, Texas ~~75202-2733~~ *75221-0303*

If you have any questions regarding this correspondence, please contact me at 214/665-xxxx. *245-1134*

Sincerely,

Name of EPA Inspector  
Senior On-Scene Coordinator (6SF-RP)

Attachments:

- A: FRP Checklist
- B: SPCC Checklist